

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Executive Office

SUBMITTAL DATE:
September 13, 2005

**SUBJECT: Response to the Grand Jury Report: Human Resources
and Employee Relations**

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve with or without modifications, the attached response to the Grand Jury's recommendations regarding the Human Resources and Employee Relations.
- 2) Direct the Clerk of the Board to immediately forward the Board's finalized response to the Grand Jury, to the Presiding Judge, and the County Clerk-Recorder (for mandatory filing with the State).

BACKGROUND: On July 12, 2005, the Board directed staff to prepare a draft of the Board's response to the Grand Jury's report regarding the Human Resources and Employee Relations.

Section 933 (c) of the Penal Code requires that the Board of Supervisors comment on the Grand Jury's recommendations pertaining to the matters under the control of the Board, and that a response be provided to the Presiding Judge of the Superior Court within 90 days.

Mary Christmas
GARY CHRISTMAS
Deputy County Executive Officer

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FINANCIAL DATA	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:
	Current F.Y. Net County Cost:	\$	Budget Adjustment:
	Annual Net County Cost:	\$	For Fiscal Year:

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE.

County Executive Office Signature *[Signature]*

Dep't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 3.6 – 7/12/05

District:

Agenda Number:

3.2

**RIVERSIDE COUNTY REGIONAL MEDICAL CENTER
HUMAN RESOURCES AND EMPLOYEE RELATIONS**

FINDINGS:

Number 1:

Through Grand Jury interviews, it was discovered that eligible nurses and technicians are highly dissatisfied and frustrated with the denial of premium and/or special pay previously received, which has prompted them to file pay grievances with the Service Employees International Union (SEIU). Employee dissatisfaction has resulted from:

- a. Ambiguity in the MOU regarding premium and/or special pay.
- b. Constant changes in interpretation by Riverside County Human Resources personnel and SEIU Representatives regarding employees' eligibility to receive premium and/or special pay.
- c. RCRMC Managers incorrectly advising employees of entitlement to premium and/or special pay.
- d. Past practice by RCRMC Managers who approved premium and/or special pay, which were not authorized in accordance with the MOU.
- e. Employees notified only one day prior to payday of the denial of premium and/or special pay.

Response:

Respondent disagrees partially with the finding. Explanation:

The MOU has historically set out the terms and conditions of employment for full-time employees, including premium and special pay for nurses and technicians. The advent of part-time employees at RCRMC did create questions as to how provisions developed for full-time staff should be applied to part-time staff.

In response to these concerns HR, RCRMC and SEIU representatives met several times between January 2005 and April 2005 to discuss premium and/or special pay issues. Due to the financial impact and complicated nature of these provisions, it was decided that these issues would be addressed during negotiations for the MOU renewal in August of 2005.

SEIU has filed sixteen (16) grievances in the past year on behalf of its members at RCRMC related to various payroll issues, holiday and overtime pay. Eight of these were resolved in the employee's favor, three were withdrawn, one may be resolved in the employee's favor if an acceptable explanation can be provided supporting the grievance, and four are scheduled for arbitration. The interpretation related to holiday and overtime pay has, for the most part, been resolved.

With respect to the specific sub-paragraphs the County responds as follows:

a. Ambiguity in the MOU regarding premium and/or special pay.

There was only one grievance filed with respect to a premium and/or special pay. It involves a Detention Nurse who works occasional weekend shifts at RCRMC. She claims that she is entitled to the critical care premium because she is performing acute care work. The relevant MOU provision lists the specific classifications that are eligible for critical care pay. The County denied her claim because her classification of Detention Nurse is not one of the nine classifications listed in the MOU as eligible for critical care pay. There is no ambiguity in the MOU on that point. If her classification was included in the provision she would be entitled to the premium. The County is not aware of any other concerns regarding ambiguity in the MOU related to premium and/or special pay.

b. Constant changes in interpretation by Riverside County Human Resources personnel and SEIU Representatives regarding employees' eligibility to receive premium and/or special pay.

The County is not privy to the MOU interpretation(s) given to employees by SEIU and therefore cannot respond to that aspect of the finding. However, the County is aware of the issues contained in the 16 grievances, which primarily concerned overtime and holiday pay for part-time nurses. As stated above, HR payroll staff did raise concerns about the application of the MOU to part-time nursing staff and to the proper interpretation of the MOU, most of which have now been resolved. HR staff is fully aware of the eligibility guidelines and provides consistent information to the employees.

c. RCRMC Managers incorrectly advising employees of entitlement to premium and/or special pay.

There have been general complaints by employees that they were misinformed by management about entitlement to premium pay. For example, in the past few months a question arose about the entitlement of part-time or per diem employees to preceptor pay. These employees are not entitled to such payment under the MOU. However, it is entirely possible that one or more employees in these categories may have been assigned preceptor work by management staff.

d. Past practice by RCRMC Managers who approved premium and/or special pay, which were not authorized in accordance with the MOU.

The County has received complaints from nurses about premium and/or special pay issues. The County has addressed these issues as they have arisen. These complaints result from a misunderstanding of what is authorized by the MOU both by management staff and by employees. Generally these errors are caught and corrected by payroll staff. An effort will be mounted during salary negotiations to clarify language. Clear communication to all management staff and employees will follow to avoid any further misunderstandings.

- e. Employees notified only one day prior to payday of the denial of premium and/or special pay.

Employees are notified of payroll actions when the incidents occur. Employees are notified of payroll errors or corrections either directly, by a request to amend their timesheet, or when they receive their pay stub for the pay period. The payroll advice (pay stub) is often received by employees on Tuesday, the day before pay day. RCRMC and County HR are collaboratively working to address this issue and will provide additional information to the employees to avoid further errors.

Number 2

RCRMC utilizes a manual time and attendance system. RCRMC Administrators cancelled installation of KRONOS (an electronic time and attendance system) that is used by 115 hospitals/health care institutions in Southern California, including the Riverside County Department of Public Health. According to Human Resources, funding was instead directed toward the installation of "People Soft" (a countywide personnel management system), which does not meet the needs of RCRMC. The complexity of time sheets containing multiple pay categories for nurses is evident on Attachments 1 and 2. Auditing of time sheets by the payroll staff to determine the correctness of pay in accordance with the MOU is a time-consuming and laborious task. Approximately twenty-five percent (25%) of the 1,700 manual time sheets processed each pay period have errors or discrepancies that must be resolved between the employees' supervisors and payroll staff.

Response:

Respondent disagrees partially with the finding. Explanation:

RCRMC, like most County departments, utilizes a manual time and attendance system. Some departments require that employees enter their own time directly into PeopleSoft. County HR and RCRMC staff has evaluated whether this would be effective for RCRMC employees, but there are many employees who do not have ready access to a computer. This is especially true for the employees with the most complicated time and attendance rules (i.e., nurses).

The KRONOS system was reviewed by RCRMC briefly, but a formal Request for Proposals for a time and attendance system was not completed, and RCRMC did cancel the installation of the KRONOS timekeeping system for reasons unrelated to the purchase of PeopleSoft. KRONOS was not the authorized vendor for the hospital. It is the intention of RCRMC and County HR to consider use of an automated time and attendance system, if one can be found which can meet the County's needs, economically. However, regardless of any system implementation, the auditing function would continue to be performed.

With respect to PeopleSoft, as currently configured in the County, it is not an automated time and attendance program, but it provides many other capabilities that benefit RCRMC as well as all County departments.

Number 3:

In early 2004, employees who were subject to progressive disciplinary procedures received an Administrative Investigation Letter from their supervisor. This letter was developed by the Riverside County Human Resources Department as a template for supervisory/directors to use when needed. The purpose of an Administrative Investigation Letter is to determine all relevant facts pertaining to an allegation of employee misconduct. Substantiation of the allegation(s) could result in appropriate disciplinary action against an employee, including termination. Through interviews conducted by the Grand Jury, employees who received this letter expressed concern that the tone was, "... intimidating, threatening and accusatory, does not identify specific allegations to be investigated, and does not advise that we are entitled to outside representation." During this Grand Jury investigation the Human Resources Department has twice revised the original letter dated early 2004.

Response:

Respondent disagrees partially with the finding. Explanation:

Employees both prior to and since early 2004 who are the subject of a personnel investigation receive an Administrative Interview Directive before they are interviewed in conjunction with the investigation. The directive was developed by County HR but not for supervisors or directors to "use when needed". All investigations are conducted by County HR based on actual complaints, misconduct or inappropriate behavior reported to them. This directive is prepared by the HR investigator assigned to the case and forwarded to the appropriate supervisor or manager for signature and delivery to the employee. The purpose of the directive is not to "determine all relevant facts" but is to place the employee on notice that he/she is being investigated and what is expected of the employee during the investigation process.

The County agrees that substantiated misconduct results in appropriate discipline, including termination.

The Employee Relations Division was aware of concerns regarding the tone of the letter and twice revised the contents of the directive. The first revision was made on its own initiative, and the second time in response to the Grand Jury investigation. The current version is factual and advises the employee of his/her representational rights.

Number 4:

The current RCRMC process to verify a vacant budgeted nurse position and the authorization to fill it is complex and difficult. Frequently, this lengthy process can take several weeks and, as a result, ready and willing applicants seek employment elsewhere due to the hiring delays.

Response:

Respondent partially disagrees the finding.

The hiring process has been complex and difficult, but Human Resources and RCRMC have worked together to improve the process. However, Nursing recruitment can present a challenge as the nursing shortage has become a nationwide issue. With a limited number of applicants in the RN series with needed trainings and competencies, the issue of recruitment has become more difficult for all hospitals and healthcare providers. There are a number of initiatives that are currently underway to train nurses in joint collaboration with RCC (Riverside Community College) and other schools. Internal procedures have also been revised to provide continuous recruitment in this area.

Number 5:

RCRMC has no allocated budget for advertising nurse positions.

Response:

Respondent disagrees wholly with the finding.

Historically, Departments have been required to budget for any advertising costs. RCRMC has provided funding for advertising in the Press-Enterprise, Nurses Week, and other publications as recommended by the Nurse Recruiter. In its most recent budget, RCRMC has allocated \$100,000 to advertise for nursing positions, and a recruiting plan is being designed.

Number 6:

When advertisement is authorized by the Administration for nurse recruitment, only the local paper is used; therefore, few applications are received.

Response:

Respondent disagrees wholly with the finding.

The advertisement has not been limited to the Press Enterprise. Advertisements have been placed in Los Angeles Times, Nurses Week, and website advertisements. The county website and direct mailers have also been used.

Number 7:

Through Grand Jury interviews and observations, it was discovered that managers and first-line supervisory staff at RCRMC are unaware of the chain of command to seek guidance and/or report incidents that could lead to liability.

Response:

Respondent partially disagrees with this finding.

All employees of RCRMC regardless of their position must attend two orientations. The first orientation consists of hospital wide orientation and information. During this orientation, administration provides an overview of Riverside County and hospital chain of command.

The second orientation is department specific. Each employee receives a clear explanation regarding their department, area of responsibility, chain of command, approval of time off, vacation, health and safety codes.

There is also an incident report form accessible to all employees. All employees are encouraged to ask questions of their immediate supervisor if there are any uncertainties in procedures and reporting structures. Further communication will occur to remind employees of this open line of communication.

RECOMMENDATIONS:

Number 1:

The Riverside County Human Resources Negotiation Team and SEIU Representatives revise, clarify and standardize those portions of the current MOU that pertain to premium and/or special pay compensation such as overtime, preceptor (supervised training), call-back and on-call pay for nurses and technicians.

Response:

The recommendation has been implemented.

There have been several meetings between RCRMC, County HR and SEIU representatives. The discussions centered on all crucial pay issues that concerns nursing and all various classifications of nursing. While significant progress was made on a number of issues, it was determined that the issues could be better addressed in the context of the overall negotiations for a renewal of the MOU, which are scheduled to begin in August 2005. Both sides are committed to clarifying payroll language so that it is easier to understand and apply for both employees and payroll staff. Once all issues have been clarified, communication to all managers and employees will occur to avoid any confusion.

Number 2:

By January 2006, RCRMC and Human Resources Service Unit, submit a Form 11 to the Board of Supervisors to procure an electronic time and attendance system that will:

- Increase productivity.
- Reduce payroll processing labor cost.
- Reduce time and pay category recording errors.
- Reduce the potential for fraud.

Response:

The recommendation requires further analysis.

County HR and Hospital Administration have had preliminary discussions about adopting an electronic timekeeping system for the hospital. A Request for Proposal (RFP) will be required to determine if any system will meet all of the needs of RCRMC and still be cost effective. Further study is required before a decision to proceed with purchasing such a system can be made. The study will be completed by December 27, 2005.

As an interim solution, County HR has drafted a Time and Attendance Handbook, which will be available by October 31, 2005, to both supervisors and line staff at RCRMC to assist them with understanding and applying the appropriate provisions of the MOU's. County HR is developing customized timesheets for RCRMC staff as another interim solution. Each employee will have his/her own timesheet with only the time entry codes that are appropriate for his/her job classification. This solution will be implemented by December 27, 2005.

Number 3:

Human Resources Department/Employee Relations notify all county department supervisor/directors and SEIU representatives of the revised Administrative Investigation Letter to be used in future disciplinary procedures.

Response:

The Recommendation will not be implemented because it is not warranted or is not reasonable.

The directive is not generated by department supervisors or directors in the course of a personnel investigation – it is generated by HR staff.. Therefore, there is no need to notify departments of the amended directive. Neither SEIU nor any other union representing County employees is routinely provided a copy of the directive. HR staff members conducting personnel investigations are aware of and have been instructed to use the amended directive.

Number 4:

Human Resources Department and the RCRMC Nurse Administration implement, by August 2005, an Electronic Signature Transmission System to accelerate the hiring of qualified nurse candidates. The Grand Jury investigation revealed that much of the system is already in place; therefore, the approximate cost according to Human Resources to complete implementation would be about \$4,800.

Response:

The Recommendation will not be implemented because it is not warranted or is not reasonable.

The electronic signature proposal was a “work around” to speed up the cumbersome CRF and TRF signature process at RCRMC. Now that the process has been streamlined by eliminating the additional signatures the proposal would serve no useful purpose.

Number 5:

RCRMC allocate funds for the purpose of advertising for nurse recruitment.

Response:

The recommendation has been implemented.

RCRMC has specifically allocated \$100,000 annually for nurse recruiting advertising in its budget.

Number 6:

In view of the nationwide nursing shortage, RCRMC must expand recruitment to include advertisement in professional nursing magazines/journals, out-of-county newspapers with large circulations, and the Internet.

Response:

The recommendation has been implemented.

RCRMC and County HR have found that newspaper advertising alone does not result in sufficient applicants. The advertisements in various papers within, as well as outside of Riverside County will continue. RCRMC has authorized advertisement in professional periodicals such as "Nurse Week" and through in-home mailers. Other tools that are used to attract new nurses such as job fairs, open house, graduate tea and any other form of outreach will continue to be used. Additionally, available positions will be posted on a multi-County website covering all available positions within San Bernardino, Riverside, and Orange Counties.

Number 7:

RCRMC new employee orientation must include instruction explaining the process of accessing the established lines of authority for guidance, and reporting incidents that could lead to liability if not properly addressed.

Response:

The recommendation has been implemented.

The new employee orientation already contains this instruction. All employees of RCRMC regardless of their position must attend two orientations. The first orientation consists of hospital wide orientation and information. During this orientation, administration gives an overall talk about county and hospital chain of command.

The second orientation is department specific. Each employee receives a clear explanation regarding their department, area of responsibility, chain of command, approval of time off, vacation, health and safety codes.

A formal incident report form has been in place and is available to all employees. Employees are encouraged to report incidents.